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Statistical Modeling of Repairable Systems



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Overview

- Review of standard process models – assumptions/shortcomings
- Describe modulated process model
- Introduce statistical inference procedures
- Overview of simulation results
- Derivation for probability of mission success
- Summary

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Common Process Models

- Models for repairable systems must be able to describe the occurrence of events in time, and are thus inherently different from models non-repairable systems.
- Renewal Process: (*good – as – new*) A repaired unit is always brought to a like-new condition – time between failures are independent and identically distributed (iid). For this reason, the renewal process cannot be used to model a system experiencing deterioration or reliability improvement. (examples: Gamma).
- Non-homogeneous Poisson Process (NHPP): (*same – as – old*) Following the repair, the system is returned to the state just prior to failure. (examples: Weibull / Power Law)
- In practice, neither process seems realistic. In many cases, a repaired unit is in better condition than it was just before failure, but still not in a like-new condition

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Modulated Process

- Inhomogeneous gamma process (Berman 1981): Suppose that events, or shocks, occur according to an NHPP with intensity function $u(t)$, and suppose that a failure occurs not every shock but at every K th shock, where K is a positive integer.
- The joint probability density function for the first n failures is given by

$$f(t_1, t_2, \dots, t_n) = \left\{ \prod_{i=1}^n u(t_i) [U(t_i) - U(t_{i-1})]^{K-1} \right\} \times \frac{\exp[-U(t_n)]}{[G(K)]^n}$$

- $U(t)$ is the expected number of shocks before time t and is defined as

$$U(t) = \int_0^t u(x) dx.$$

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Modulated Power Law Process

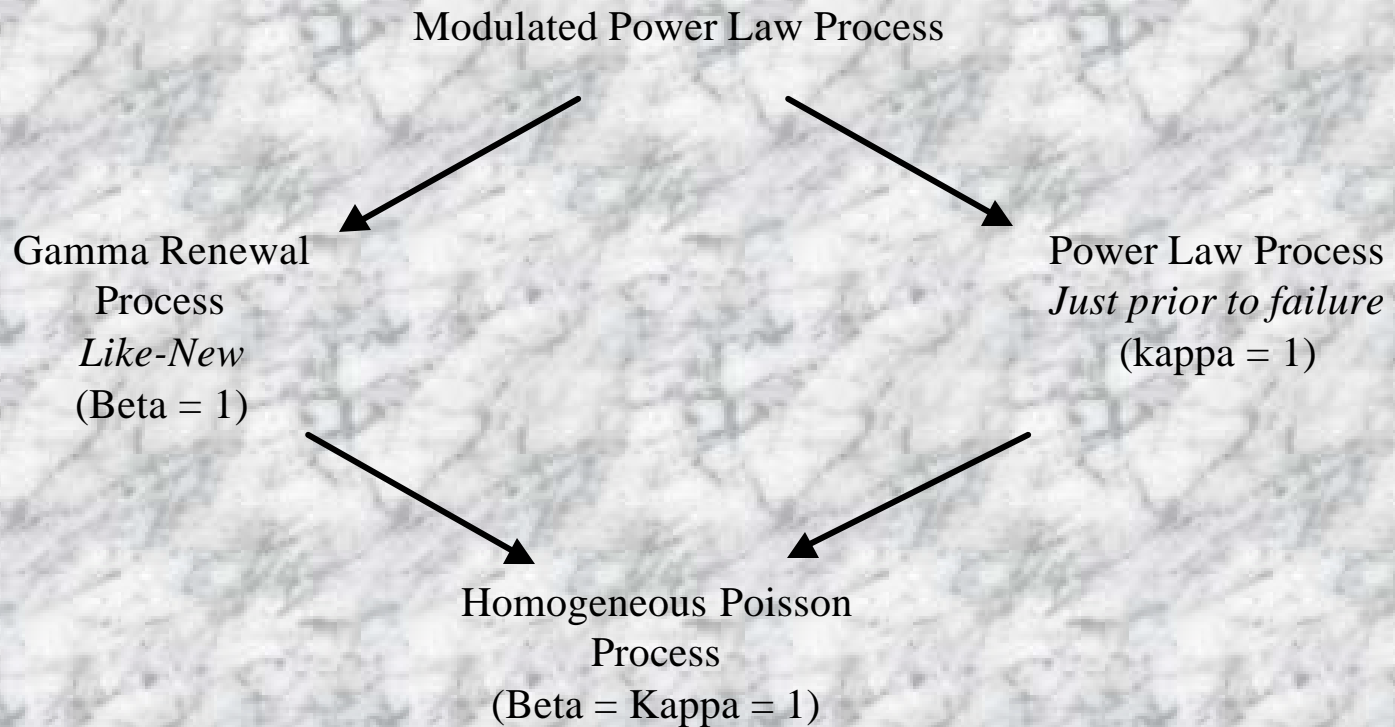
- If for example Kappa (k) equaled 4, then every fourth shock would cause a failure
- A failed and repaired unit would be better than it was just before failure, since in order to cause another failure the required improvement parameter (Kappa) must accumulate to four again. A failed and repaired unit would not necessarily be as good as new.
- Parameter definitions
 - Kappa : measure if the improvement effected by the repair
 - Beta: is a measure of the system improvement or deterioration over the course of a systems life
 - Theta: Scaling parameter (units)

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Modulated Power Law Process (Special Cases)

- There are three special cases of the Modulated Power Law Process



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Modulated Power Law Process Point Estimation

- If we take partial derivatives of the likelihood function with respect to theta, beta, and kappa we obtain the likelihood equations

$$l(q, b, k) = -\left(\frac{t_n}{q}\right)^b + n \ln(b) - n \ln(\Gamma(k)) - nbk \ln q + (b-1) \sum_{i=1}^n \ln t_i + (k-1) \sum_{i=1}^n \ln(t_i^b - t_{i-1}^b)$$

$$\frac{\partial l}{\partial q} = \left[\left(\frac{\text{Beta}}{\text{Theta}} \right) \left(\frac{t_n}{\text{Theta}} \right)^{\text{Beta}} \right] - \left[\frac{(n \cdot \text{Beta} \cdot \text{Kappa})}{\text{Theta}} \right] = 0$$

$$\frac{\partial l}{\partial b} = -\left[\left(\frac{t_n}{\text{Theta}} \right)^{\text{Beta}} \cdot \left(\ln \left(\frac{t_n}{\text{Theta}} \right) \right) \right] + \left(\frac{n}{\text{Beta}} \right) - (n \cdot \text{Kappa} \cdot \ln(\text{Theta})) + \left(\sum_{j=1}^n \ln(t_j) \right) + \left[(\text{Kappa} - 1) \cdot \left[\sum_{k=1}^n \frac{[(t_k)^{\text{Beta}} \cdot \ln(t_k)] - [(t_{k-1})^{\text{Beta}} \cdot \ln(t_{k-1})]}{[(t_k)^{\text{Beta}} - (t_{k-1})^{\text{Beta}}]} \right] \right] = 0$$

$$\frac{\partial l}{\partial k} = (-n \cdot \text{Psi}(\text{Kappa})) - (n \cdot \text{Beta} \cdot \ln(\text{Theta})) + \sum_{i=1}^n \ln[(t_i)^{\text{Beta}} - (t_{i-1})^{\text{Beta}}] = 0$$

- Here Psi denotes the di-gamma function

$$j(x) = \frac{\Gamma'(x)}{\Gamma(x)}$$

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Modulated Power Law Process Asymptotic Confidence Intervals

- Without pivotal quantities, we must resort to asymptotic confidence intervals for the parameters. The asymptotic distribution of the estimator

$$[\hat{q}, \hat{b}, \hat{k}]$$

- Is multivariate normal with mean and covariance

$$\mathbf{m} = [q, b, k] \quad \Sigma = [J(q, b, k)]^{-1}$$

- Where the J matrix is the Jacobian and contains the second partial derivatives of the likelihood function. Approximate confidence intervals for the parameters are given by

$$\hat{q} \pm z_{\alpha/2} \sqrt{(1,1)\text{entry}[J(\hat{q}, \hat{b}, \hat{k})]^{-1}} \quad \hat{b} \pm z_{\alpha/2} \sqrt{(2,2)\text{entry}[J(\hat{q}, \hat{b}, \hat{k})]^{-1}} \quad \hat{k} \pm z_{\alpha/2} \sqrt{(3,3)\text{entry}[J(\hat{q}, \hat{b}, \hat{k})]^{-1}}$$

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Modulated Power Law Process

Simulation Results

95% Confidence Intervals (no transformation)

| Theta | Beta | Kappa | N | Theta CI % | Beta CI % | Kappa CI % |
|-------|------|-------|----|------------|-----------|------------|
| 200 | 0.75 | 1 | 10 | 77.6 | 89.7 | 97.1 |
| 200 | 0.75 | 1 | 20 | 85 | 93.9 | 95.8 |
| 200 | 0.75 | 1 | 30 | 86.8 | 92.9 | 95.5 |
| 200 | 1 | 1 | 10 | 81.2 | 92.4 | 97.6 |
| 200 | 1 | 1 | 20 | 87.1 | 93.8 | 96.6 |
| 200 | 1 | 1 | 30 | 89.6 | 92.9 | 95.8 |
| 200 | 1.5 | 1 | 10 | 80.2 | 91 | 96.7 |
| 200 | 1.5 | 1 | 20 | 90.1 | 93.7 | 96.2 |
| 200 | 1.5 | 1 | 30 | 91.5 | 96.6 | 95.4 |
| | | | | | | |
| Theta | Beta | Kappa | N | Theta CI % | Beta CI % | Kappa CI % |
| 200 | 0.75 | 2 | 10 | 74.8 | 89.8 | 98.1 |
| 200 | 0.75 | 2 | 20 | 85.3 | 92.7 | 96.3 |
| 200 | 0.75 | 2 | 30 | 85.1 | 93.1 | 96.4 |
| 200 | 1 | 2 | 10 | 78.5 | 88.4 | 98 |
| 200 | 1 | 2 | 20 | 88 | 93.3 | 96 |
| 200 | 1 | 2 | 30 | 90.7 | 94.1 | 96.3 |
| 200 | 1.5 | 2 | 10 | 81.8 | 88 | 98 |
| 200 | 1.5 | 2 | 20 | 88.7 | 93 | 95.7 |
| 200 | 1.5 | 2 | 30 | 90.1 | 92.2 | 96.9 |
| | | | | | | |
| Theta | Beta | Kappa | N | Theta CI % | Beta CI % | Kappa CI % |
| 200 | 0.75 | 3 | 10 | 74.7 | 90.3 | 97.8 |
| 200 | 0.75 | 3 | 20 | 85 | 92.1 | 96.4 |
| 200 | 0.75 | 3 | 30 | 85.5 | 93.1 | 95.6 |
| 200 | 1 | 3 | 10 | 80.4 | 90.1 | 98.5 |
| 200 | 1 | 3 | 20 | 86.4 | 91.5 | 96.9 |
| 200 | 1 | 3 | 30 | 86.9 | 94.2 | 96 |
| 200 | 1.5 | 3 | 10 | 81.1 | 87.4 | 98 |
| 200 | 1.5 | 3 | 20 | 88.3 | 91.6 | 96.3 |
| 200 | 1.5 | 3 | 30 | 89.2 | 92.3 | 96.3 |

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Modulated Power Law Process Asymptotic Confidence Intervals (log transformation - continued)

- The approximate confidence intervals are therefore:

q :

$$\left[\hat{\mathbf{q}} \exp \left\{ -z_{\alpha/2} \sqrt{(1,1) \text{ entry in } [J(\hat{\mathbf{q}}, \hat{\mathbf{b}}, \hat{\mathbf{k}})]^{-1}} \right\} / \hat{\mathbf{q}}, \hat{\mathbf{q}} \exp \left\{ z_{\alpha/2} \sqrt{(1,1) \text{ entry in } [J(\hat{\mathbf{q}}, \hat{\mathbf{b}}, \hat{\mathbf{k}})]^{-1}} \right\} / \hat{\mathbf{q}} \right]$$

b :

$$\left[\hat{\mathbf{b}} \exp \left\{ -z_{\alpha/2} \sqrt{(2,2) \text{ entry in } [J(\hat{\mathbf{q}}, \hat{\mathbf{b}}, \hat{\mathbf{k}})]^{-1}} \right\} / \hat{\mathbf{b}}, \hat{\mathbf{b}} \exp \left\{ z_{\alpha/2} \sqrt{(2,2) \text{ entry in } [J(\hat{\mathbf{q}}, \hat{\mathbf{b}}, \hat{\mathbf{k}})]^{-1}} \right\} / \hat{\mathbf{b}} \right]$$

k :

$$\left[\hat{\mathbf{k}} \exp \left\{ -z_{\alpha/2} \sqrt{(3,3) \text{ entry in } [J(\hat{\mathbf{q}}, \hat{\mathbf{b}}, \hat{\mathbf{k}})]^{-1}} \right\} / \hat{\mathbf{k}}, \hat{\mathbf{k}} \exp \left\{ z_{\alpha/2} \sqrt{(3,3) \text{ entry in } [J(\hat{\mathbf{q}}, \hat{\mathbf{b}}, \hat{\mathbf{k}})]^{-1}} \right\} / \hat{\mathbf{k}} \right]$$

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Modulated Power Law Process

Simulation Results

95% Confidence Intervals (log transformation)

| Theta | Beta | Kappa | N | Theta CI % | Beta CI % | Kappa CI % |
|-------|------|-------|----|------------|-----------|------------|
| 200 | 0.75 | 1 | 10 | 86.3 | 85.5 | 85.8 |
| 200 | 0.75 | 1 | 20 | 89.9 | 89.6 | 89.7 |
| 200 | 0.75 | 1 | 30 | 91.5 | 92.5 | 92.9 |
| 200 | 1 | 1 | 10 | 87.6 | 88.1 | 86.2 |
| 200 | 1 | 1 | 20 | 90.9 | 90.7 | 92.6 |
| 200 | 1 | 1 | 30 | 90.5 | 91.5 | 91 |
| 200 | 1.5 | 1 | 10 | 85.7 | 87.1 | 85.8 |
| 200 | 1.5 | 1 | 20 | 91.9 | 91 | 91 |
| 200 | 1.5 | 1 | 30 | 91.9 | 91.8 | 92.4 |
| | | | | | | |
| Theta | Beta | Kappa | N | Theta CI % | Beta CI % | Kappa CI % |
| 200 | 0.75 | 2 | 10 | 88.7 | 87.9 | 85.8 |
| 200 | 0.75 | 2 | 20 | 93 | 92.3 | 91.8 |
| 200 | 0.75 | 2 | 30 | 92.5 | 93.2 | 91.4 |
| 200 | 1 | 2 | 10 | 88.5 | 87 | 87.2 |
| 200 | 1 | 2 | 20 | 93.3 | 92.4 | 93 |
| 200 | 1 | 2 | 30 | 93.1 | 93.2 | 93.9 |
| 200 | 1.5 | 2 | 10 | 88.6 | 85.7 | 84.2 |
| 200 | 1.5 | 2 | 20 | 91.8 | 90.9 | 91.5 |
| 200 | 1.5 | 2 | 30 | 92.7 | 92.6 | 91.9 |
| | | | | | | |
| Theta | Beta | Kappa | N | Theta CI % | Beta CI % | Kappa CI % |
| 200 | 0.75 | 3 | 10 | 88.1 | 88.2 | 85 |
| 200 | 0.75 | 3 | 20 | 91.9 | 91 | 91.1 |
| 200 | 0.75 | 3 | 30 | 93.5 | 92.8 | 92.6 |
| 200 | 1 | 3 | 10 | 88.4 | 87.6 | 86.6 |
| 200 | 1 | 3 | 20 | 91.4 | 89.7 | 90.2 |
| 200 | 1 | 3 | 30 | 93.6 | 93.7 | 91.8 |
| 200 | 1.5 | 3 | 10 | 88 | 86.8 | 84.9 |
| 200 | 1.5 | 3 | 20 | 92.8 | 91.2 | 90.7 |
| 200 | 1.5 | 3 | 30 | 92.1 | 91.6 | 91.3 |

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Modulated Power Law Process

Simulation Results

Comparison of 95% Confidence Intervals (standard vs. log transformation) that include $\text{Kappa} = 1$

| Theta | Beta | Kappa | N | Include Kappa =1 | Include Kappa =1 (log) |
|-------|------|-------|----|------------------|------------------------|
| 200 | 0.75 | 1 | 10 | 97.1 | 85.8 |
| 200 | 0.75 | 1 | 20 | 95.8 | 89.7 |
| 200 | 0.75 | 1 | 30 | 95.5 | 92.9 |
| 200 | 1 | 1 | 10 | 97.6 | 86.2 |
| 200 | 1 | 1 | 20 | 96.6 | 92.6 |
| 200 | 1 | 1 | 30 | 95.8 | 91 |
| 200 | 1.5 | 1 | 10 | 96.7 | 85.8 |
| 200 | 1.5 | 1 | 20 | 96.2 | 91 |
| 200 | 1.5 | 1 | 30 | 95.4 | 92.4 |
| 200 | 0.75 | 2 | 10 | 95.8 | 39.4 |
| 200 | 0.75 | 2 | 20 | 57.4 | 22.2 |
| 200 | 0.75 | 2 | 30 | 27.1 | 9.6 |
| 200 | 1 | 2 | 10 | 97.5 | 42 |
| 200 | 1 | 2 | 20 | 60.9 | 21 |
| 200 | 1 | 2 | 30 | 28.8 | 10 |
| 200 | 1.5 | 2 | 10 | 95.2 | 40.2 |
| 200 | 1.5 | 2 | 20 | 57.6 | 20.5 |
| 200 | 1.5 | 2 | 30 | 30 | 9.5 |
| 200 | 0.75 | 3 | 10 | 87.2 | 11.2 |
| 200 | 0.75 | 3 | 20 | 11 | 1.4 |
| 200 | 0.75 | 3 | 30 | 0.7 | 0.1 |
| 200 | 1 | 3 | 10 | 87.3 | 10.7 |
| 200 | 1 | 3 | 20 | 11.8 | 1 |
| 200 | 1 | 3 | 30 | 0.8 | 0 |
| 200 | 1.5 | 3 | 10 | 86.6 | 12.1 |
| 200 | 1.5 | 3 | 20 | 11.2 | 0.8 |
| 200 | 1.5 | 3 | 30 | 0.4 | 0.1 |

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Modulated Power Law Process Hypothesis Testing

- Previously we discussed the special cases of the MPLP. This leads to the following tests of hypothesis

$H_0 : \mathbf{k} = 1, \text{ versus } H_1 : \mathbf{k} \neq 1$ (model reduces to the Power Law Process)

$H_0 : \mathbf{k} = 1, \text{ versus } H_1 : \mathbf{k} \neq 1$ (model reduces to Gamma renewal process)

$H_0 : \mathbf{k} = 1, \text{ versus } H_1 : \mathbf{k} \neq 1$ (model reduces to homogeneous Poisson Process)

- Since the exact distributions of the estimators are intractable, we rely on asymptotic results. The likelihood ratio test statistic is given by

$$LR = \frac{\max_{(\mathbf{q}, \mathbf{b}, \mathbf{k}) \in S} L(\mathbf{q}, \mathbf{b}, \mathbf{k})}{\max_{(\mathbf{q}, \mathbf{b}, \mathbf{k})} L(\mathbf{q}, \mathbf{b}, \mathbf{k})}$$

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Modulated Power Law Process Hypothesis Testing (continued)

- Test I: $H_0 : k = 1$ If the Null hypothesis is true, then the failure process is a power law process with parameters q, b .

$$LR_{PLP} = \frac{\max_{(q, b, k) \in S} L(\hat{q}_{PLP}, \hat{b}_{PLP}, 1)}{\max_{(q, b, k)} L(\hat{q}, \hat{b}, k)}$$

- Where $\hat{b}_{PLP} = \frac{n}{\sum_{i=1}^{n-1} \log \frac{t_n}{t_i}}$ and $\hat{q} = \frac{t_n}{n^{\frac{1}{\hat{b}}}}$

- Reject $H_0 : k = 1$ if $-2 \log LR_{PLP} > c_{1-\alpha}^2 (1)$

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Modulated Power Law Process Hypothesis Testing (continued)

- Test II: $H_0 : k = 1$ If the Null hypothesis is true, then the failure process is a gamma renewal (times between failures are iid random variables) $GM(k, q)$

$$LR_{GRP} = \frac{\max_{(q, b, k) \in S} L(\hat{q}_{GRP}, 1, \hat{k}_{GRP})}{\max_{(q, b, k)} L(\hat{q}, \hat{b}, \hat{k})}$$

- The MLEs of theta and kappa do not have a closed form expression and must be solved by numerical methods. Differentiating the likelihood function and setting the results equal to zero leads to

$$\hat{q} = \frac{\bar{x}}{\hat{k}} \quad \log k - \frac{\Gamma'(k)}{\Gamma(k)} - \log\left(\frac{\bar{x}}{\tilde{x}}\right) \quad \tilde{x} = \left(\prod x_i\right)^{1/n}$$

- Reject $H_0 : b = 1$ if $-2 \log LR_{GRP} > c_{1-\alpha}^2(1)$

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Modulated Power Law Process Hypothesis Testing (continued)

- Test III: $H_0 : \mathbf{b} = \mathbf{k} = 1$ If the Null hypothesis is true, then the failure process is a homogeneous Poisson process (times between failures are iid $EXP(\mathbf{q})$ random variables).

$$LR_{HPP} = \frac{\max_{(\mathbf{q}, \mathbf{b}, \mathbf{k}) \in S} L(\hat{\mathbf{q}}_{HPP}, 1, 1)}{\max_{(\mathbf{q}, \mathbf{b}, \mathbf{k})} L(\hat{\mathbf{q}}, \hat{\mathbf{b}}, \hat{\mathbf{k}})}$$

- Where $\hat{\mathbf{q}}_{HPP} = \frac{t_n}{n}$

- Reject $H_0 : \mathbf{b} = \mathbf{k} = 1$ if $-2 \log LR_{GRP} > \mathbf{c}_{1-\alpha}^2(2)$

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Modulated Power Law Process Simulation Results – Hypothesis Testing

TEST: $H_0 : b = 1$ $H_a : b \neq 1$

| N | Theta | Beta | Kappa | Reject Ho |
|----|-------|------|-------|-----------|
| 20 | 200 | 1 | 3 | 6.00% |
| 20 | 200 | 1.25 | 3 | 45.70% |
| 20 | 200 | 1.5 | 3 | 88.60% |
| 20 | 200 | 2 | 3 | 99% |

| N | Theta | Beta | Kappa | Reject Ho |
|----|-------|------|-------|-----------|
| 30 | 200 | 1 | 3 | 5.90% |
| 30 | 200 | 1.25 | 3 | 67.30% |
| 30 | 200 | 1.5 | 3 | 97.40% |
| 30 | 200 | 2 | 3 | 98.4% |

Results of hypothesis test on Beta with alpha = .05

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Modulated Power Law Process Simulation Results – Hypothesis Testing

TEST: $H_0 : k = 1$ $H_a : k \neq 1$

| N | Theta | Beta | Kappa | Reject Ho |
|----|-------|------|-------|-----------|
| 20 | 200 | 1.5 | 1 | 6.00% |
| 20 | 200 | 1.5 | 1.5 | 34.70% |
| 20 | 200 | 1.5 | 2 | 71.70% |
| 20 | 200 | 1.5 | 2.5 | 90.8% |
| 20 | 200 | 1.5 | 3 | 98.4% |
| 20 | 200 | 1.5 | 4 | 100% |

| N | Theta | Beta | Kappa | Reject Ho |
|----|-------|------|-------|-----------|
| 30 | 200 | 1.5 | 1 | 5.70% |
| 30 | 200 | 1.5 | 1.5 | 45.93% |
| 30 | 200 | 1.5 | 2 | 86.90% |
| 30 | 200 | 1.5 | 2.5 | 98.9% |
| 30 | 200 | 1.5 | 3 | 100.0% |
| 30 | 200 | 1.5 | 4 | 100.0% |

Results of hypothesis test on Kappa with alpha = .05

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Modulated Power Law Process Mission Readiness

- From the definition of the Inhomogeneous Gamma Process

$$f(t_1, t_2, \dots, t_n) = \left\{ \prod_{i=1}^n I(t_i) [\Lambda(t_i) - \Lambda(t_{i-1})]^{K-1} \right\} \frac{\exp(-\Lambda(t_n))}{\Gamma(K)^n}$$

$$\text{where} \quad \Lambda(t) = \int_0^t I(t) dt \quad \text{and} \quad I(t) = \left(\frac{b}{q} \right) \left(\frac{t}{q} \right)^{b-1}$$

- **READINESS:** Probability of no failures $P(N=0)$ in a specified mission time given the current state of the system (conditional probability density function).

$$f_n(t_n / t_{n-1}) = \lim_{\Delta t \rightarrow 0} \Pr(t < T_n < t + \Delta t / T_{n-1} = t)$$

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Modulated Power Law Process Mission Readiness (continued)

- Using the intensity function for the PLP

$$f_n(t/t_{n-1}) = \frac{\left\{ \prod_{i=1}^n \left(\frac{b}{q} \right) \left(\frac{t_i}{q} \right)^{b-1} \left[\left(\frac{t_i}{q} \right)^b - \left(\frac{t_{i-1}}{q} \right)^b \right]^{k-1} \right\} \exp \left(- \left(\frac{t_n}{q} \right)^b \right)}{\Gamma(k)^n}$$
$$\left\{ \prod_{i=1}^{n-1} \left(\frac{b}{q} \right) \left(\frac{t_i}{q} \right)^{b-1} \left[\left(\frac{t_i}{q} \right)^b - \left(\frac{t_{i-1}}{q} \right)^b \right]^{k-1} \right\} \exp \left(- \left(\frac{t_{n-1}}{q} \right)^b \right)}{\Gamma(k)^{n-1}}$$

- Which reduces to

$$f_n(t_n/t_{n-1}) = \frac{b t_n^{b-1}}{\Gamma(k) q^b} \left[\left(\frac{t_n}{q} \right)^b - \left(\frac{t_{n-1}}{q} \right)^b \right]^{k-1} \exp \left\{ - \left[\left(\frac{t_n}{q} \right)^b - \left(\frac{t_{n-1}}{q} \right)^b \right] \right\}$$

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Modulated Power Law Process Mission Readiness (continued)

- If we define

$$a(t_n) = \left(\frac{t_n}{q}\right)^b - \left(\frac{t_{n-1}}{q}\right)^b$$

- then

$$f(t_n/t_{n-1}) = \frac{b}{q^b \Gamma(k)} t_n^{b-1} a(t_n)^{k-1} \exp(-a(t_n))$$

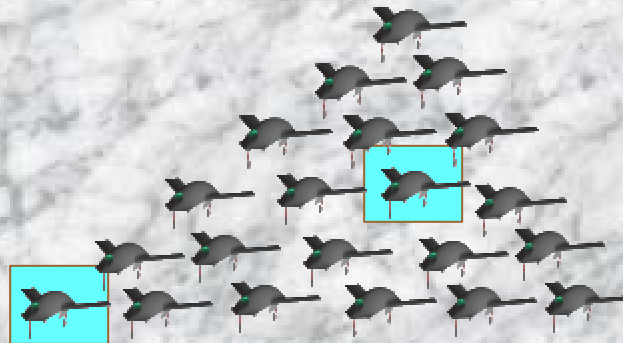
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Modulated Power Law Process Mission Readiness (continued)

- The probability of no failures in a given mission time is given by

$$\int_{MissionEndTime}^{\infty} \frac{b}{q^b \Gamma(k)} t_n^{b-1} a(t_n)^{k-1} \exp(-a(t_n)) dt_n$$



- Select required aircraft with highest probability of mission completion

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Summary

- Modulated Power Law Process – provides ability to model improvement into repairable systems.
- Inference procedures capable of detecting special cases.
- Asymptotic confidence intervals were very effective in simulation study (nominal level) for sample size > 30 .
- Conditional distribution presented - Estimating probability of failure in a given mission time (readiness).
- Modulated Power Law Process provides insight into the overall support process. Kappa can be used as support improvement measure.